

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of	)	CA 06-02
	)	
KOBER/HANSSEN/MITCHELL	)	
ARCHITECTS, INC. and Kurt H.	)	
Mitchell,	)	
	)	
Respondents.	)	
_____	)	

CONCILIATION AGREEMENT

On or around November 2002, Robert Y. Watada, then Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents, Kober/Hanssen/Mitchell Architects, Inc. and Kurt H. Mitchell (hereafter collectively "Mitchell" unless otherwise noted). The Department of Commerce and Consumer Affairs Business Registration Division records list Mitchell's business purpose as architecture, programming, planning and interior design, whose business address is 55 Merchant Street, Suite 1400, Honolulu, Hawaii. A business registration record, dated March 3, 1999, lists Kurt H. Mitchell as the chief executive officer.

The investigation was initiated pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and whether a complaint would be submitted to the Commission.

NOW, THEREFORE, Mitchell and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Mitchell and the subject matter of this administrative action.

- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Mitchell pursuant to section 11-216(g), HRS.
- III. That Mitchell has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Mitchell waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Mitchell enters into this Agreement with the Commission on its own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
  1. On or around November 2002, Robert Y. Watada, then Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of the Arnold Morgado campaign committee ("Morgado"), Ben Cayetano campaign committee ("Cayetano"), Fred Holschuh campaign committee ("Holschuh"), Jeremy Harris 2000 campaign committee ("Harris"), Kimo Apana campaign committee ("Apana") and the Mazie Hirono campaign committee ("Hirono") initiated an investigation involving contributions in violation of sections 11-202 and 11-204, HRS. Reports for the respective committees include the years 1996 through 2001.
  2. Section 11-202, HRS reads in part as follows: No person shall make a contribution of the person's own money or property,

money or property of another person to any candidate, party, or committee in connection with a nomination for election, or election, in any name other than the true name of the person who owns the money or supplied the money or property.

3. Section 11-204(a)(2), HRS reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year statewide office or to the candidate's committee in an aggregate amount greater than \$6,000 during an election period.
4. Section 11-204(a)(3), HRS reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
5. The Commission finds that persons associated with Mitchell made contributions to Morgado in the amount of \$4,000.
6. The Commission finds that persons associated with Mitchell made contributions to Cayetano in the amount of \$16,550.
7. The Commission finds that persons associated with Mitchell made contributions to Holschuh in the amount of \$4,000.

8. The Commission finds that persons associated with Mitchell made contributions to Harris in the amount of \$9,000.
9. The Commission finds that persons associated with Mitchell made contributions to Apana in the amount of \$2,000.
10. The Commission finds that persons associated with Mitchell made contributions to Hirono in the amount of \$4,125.
11. That Kober/Hanssen/Mitchell Architects, Inc. (hereinafter “Kober”) did not file an organizational report pursuant to section 11-196.5, HRS.
12. That Kober did not file state contractor reports pursuant to section 11-205.5, HRS.
13. That Kober did not file required disclosure reports pursuant to sections 11-212 and 11-213, HRS.

VII. Settlement Terms

As final settlement of the matter and issues in Conciliation Agreement #06-02, Mitchell understands and agrees to the following:

- (A) Mitchell agrees to an assessment of **Twenty-two Thousand Five Hundred Dollars (\$22,500)** pursuant to section 11-228, HRS.
- (B) Mitchell does not admit to any violation nor to any liability, but agrees to this settlement as a means of settling the dispute with the Campaign Spending Commission.

(C) Mitchell agrees to comply with campaign finance statutes on contribution and expenditures to candidate committees.

(D) Terms of payment of the assessment shall be by Order of the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.

X. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to its investigation involving contributions to the Morgado, Cayetano, Holschuh, Harris, Apana and Hirono candidate committees at issue in this matter.

**FOR THE COMMISSION:**

Barbara U. Wong, Executive Director

By: \_\_\_\_\_

Date: \_\_\_\_\_

**FOR THE RESPONDENT(S)**

Kober/Hanssen/Mitchell, Architects, Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Kurt H. Mitchell

\_\_\_\_\_

Date: \_\_\_\_\_